

FOR WIRE TRANSMISSION 8:30 A.M. ET, Friday, February 14, 2003

CB03-35

## **MANUFACTURING AND TRADE INVENTORIES AND SALES**

### **December 2002**

**INTENTION TO REVISE:** Revisions to the Wholesale and Retail adjusted and unadjusted monthly estimates for sales and inventories are scheduled for release April 3 and April 30, respectively. Manufacturing estimates will be revised at a later date. Revisions to the Wholesale data will be reflected in the February 2003 Manufacturing and Trade Inventories and Sales (MTIS) press release scheduled for April 14, 2003. Revisions to the Retail data will be reflected in the March 2003 MTIS scheduled for May 15, 2003.

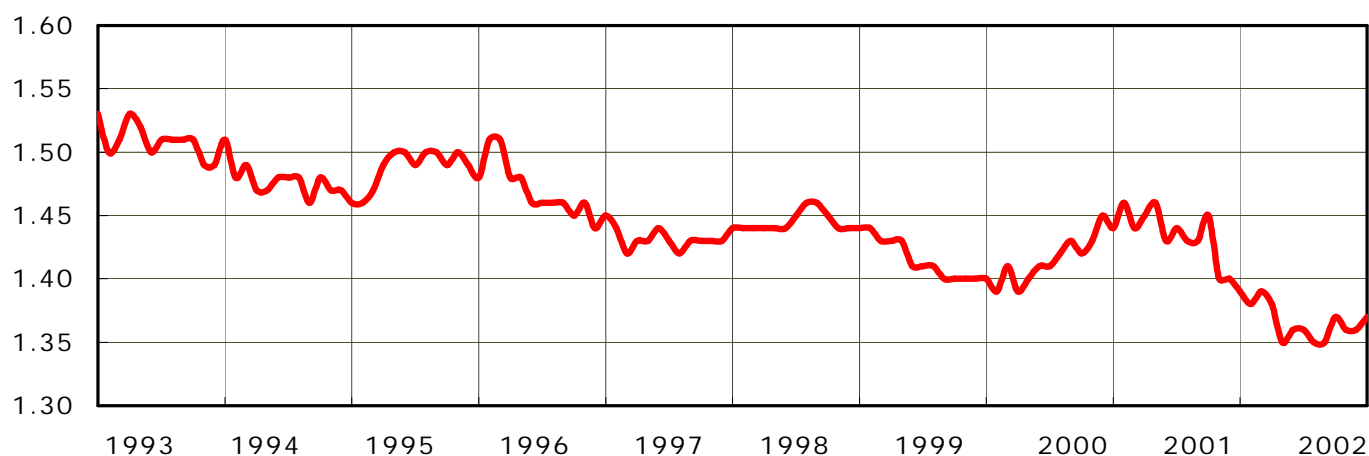
**Sales.** The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments (excluding semiconductors) for December, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$834.7 billion, up 0.2 percent ( $\pm 0.3\%$ ) from November and were up 3.7 percent ( $\pm 0.4\%$ ) from December 2001.

**Inventories.** Manufacturers' and trade inventories (excluding semiconductors) adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,143.4 billion, up 0.6 percent ( $\pm 0.2\%$ ) from November and up 1.9 percent ( $\pm 0.4\%$ ) from December 2001.

**Inventories/Sales Ratio.** The total business inventories/sales ratio based on seasonally adjusted data at the end of December was 1.37. The December 2001 ratio was 1.39.

### **Total Business Inventories/Sales Ratios: 1993 to 2002**

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



**The Manufacturing and Trade Inventories and Sales Report for January is scheduled for release March 14, 2003 at 8:30 a.m.** Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Dan Sansbury (301) 763-4832 (Manufacturing), or Nancy Piesto (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: [retail.trade@census.gov](mailto:retail.trade@census.gov).

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. December data was released February 4 for Manufacturers and February 7 for merchant wholesalers. The data are also available the day of issue on the Internet-<http://www.census.gov/bussales> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

**Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers**  
(In millions of dollars)

	Sales			Inventories <sup>1</sup>			Inventories/Sales Ratios		
	Dec. 2002	Nov. 2002	Dec. 2001	Dec. 2002	Nov. 2002	Dec. 2001	Dec. 2002	Nov. 2002	Dec. 2001
	(p)	(r)	(s)	(p)	(r)	(s)			
<b>Adjusted</b>									
Total business <sup>3</sup> .....	834,740	832,955	805,003	1,143,366	1,136,646	1,121,969	1.37	1.36	1.39
Manufacturers <sup>3,4</sup> .....	320,957	322,863	316,191	430,241	428,220	439,162	1.34	1.33	1.39
Retailers.....	280,128	274,621	267,895	425,868	423,537	395,468	1.52	1.54	1.48
Merchant wholesalers.....	233,655	235,471	220,917	287,257	284,889	287,339	1.23	1.21	1.30
<b>Not Adjusted</b>									
Total business.....	867,750	823,694	832,520	1,130,623	1,170,009	1,108,320	1.30	1.42	1.33
Manufacturers <sup>3,4</sup> .....	313,319	318,953	310,005	420,636	430,896	429,097	1.34	1.35	1.38
Retailers.....	322,194	275,310	309,239	420,922	451,927	390,173	1.31	1.64	1.26
Merchant wholesalers.....	232,237	229,431	213,276	289,065	287,186	289,050	1.24	1.25	1.36

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

**Table 2. Percent Changes for Sales and Inventories -- Manufacturers, Retailers, and Merchant Wholesalers**

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Dec. 02/ Nov. 02	Nov. 02/ Oct. 02	Dec. 02/ Dec. 01	Dec. 02/ Nov. 02	Nov. 02/ Oct. 02	Dec. 02/ Dec. 01	Dec. 02/ Nov. 02	Nov. 02/ Oct. 02	Dec. 02/ Dec. 01	Dec. 02/ Nov. 02	Nov. 02/ Oct. 02	Dec. 02/ Dec. 01
Total business.....	0.2	0.1	3.7	0.6	0.3	1.9	5.3	-4.1	4.2	-3.4	0.8	2.0
Manufacturers.....	-0.6	-1.1	1.5	0.5	-0.2	-2.0	-1.8	-5.6	1.1	-2.4	-0.6	-2.0
Retailers.....	2.0	0.5	4.6	0.6	0.8	7.7	17.0	1.2	4.2	-6.9	2.6	7.9
Merchant wholesalers..	-0.8	1.1	5.8	0.8	0.3	0.0	1.2	-7.9	8.9	0.7	0.1	0.0

**Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business**

(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories <sup>1</sup>			Percent Change In Inventories			Inventories/Sales Ratios		
		Dec. 2002 (p)	Nov. 2002 (r)	Dec. 2001 (s)	Dec. 2002 (p)	Nov. 2002 (r)	Dec. 2001 (s)	Dec. 02/Nov. 02	Nov. 02/Oct. 02	Dec. 02/Dec. 01	Dec. 02	Nov. 02	Dec. 01
	Adjusted <sup>2</sup>												
	Retail trade, total.....	280, 128	274, 621	267, 895	425, 868	423, 537	395, 468	0.6	0.8	7.7	1.52	1.54	1.48
	Total (excl. motor veh. & parts).....	202, 412	202, 600	193, 928	288, 132	285, 885	279, 601	0.8	0.5	3.1	1.42	1.41	1.44
441	Motor vehicle & parts dealers.....	77, 716	72, 021	73, 967	137, 736	137, 652	115, 867	0.1	1.5	18.9	1.77	1.91	1.57
442, 3	Furniture, home furn., elect. & appl. stores..	15, 772	15, 843	15, 609	27, 132	27, 157	25, 010	-0.1	0.0	8.5	1.72	1.71	1.60
444	Building materials, garden equip & supplies..	26, 387	26, 703	24, 899	42, 382	41, 898	39, 760	1.2	-0.6	6.6	1.61	1.57	1.60
445	Food & beverage stores.....	40, 114	40, 660	40, 085	33, 823	33, 372	33, 842	1.4	1.1	-0.1	0.84	0.82	0.84
448	Clothing & clothing access. stores.....	14, 790	14, 666	14, 376	34, 278	33, 898	32, 938	1.1	0.9	4.1	2.32	2.31	2.29
452	General merchandise stores.....	38, 497	38, 353	37, 419	66, 544	65, 716	64, 802	1.3	1.3	2.7	1.73	1.71	1.73
4521	Dept. strs. (excl. leased depts.).....	18, 277	18, 306	19, 280	40, 300	40, 767	41, 013	-1.1	1.6	-1.7	2.20	2.23	2.13
	Not Adjusted												
	Retail trade, total.....	322, 194	275, 310	309, 239	420, 922	451, 927	390, 173	-6.9	2.6	7.9	1.31	1.64	1.26
	Total (excl. motor veh. & parts).....	253, 581	209, 973	244, 699	279, 183	312, 931	271, 016	-10.8	1.6	3.0	1.10	1.49	1.11
441	Motor vehicle & parts dealers.....	68, 613	65, 337	64, 540	141, 739	138, 996	119, 157	2.0	4.8	19.0	2.07	2.13	1.85
442, 3	Furniture, home furn., elect. & appl. stores..	22, 044	17, 497	21, 706	26, 698	30, 769	24, 635	-13.2	3.6	8.4	1.21	1.76	1.13
444	Building materials, garden equip & supplies..	22, 818	24, 740	21, 384	40, 941	40, 809	38, 448	0.3	-1.8	6.5	1.79	1.65	1.80
445	Food & beverage stores.....	43, 829	41, 070	44, 358	34, 566	34, 933	34, 556	-1.1	2.4	0.0	0.79	0.85	0.78
448	Clothing & clothing access. stores.....	25, 690	16, 061	24, 908	31, 741	37, 898	30, 501	-16.2	0.3	4.1	1.24	2.36	1.23
452	General merchandise stores.....	58, 970	43, 487	58, 174	62, 030	78, 429	60, 391	-20.9	4.1	2.7	1.05	1.80	1.04
4521	Dept. strs. (excl. leased depts.).....	31, 845	21, 592	33, 323	37, 439	49, 613	38, 101	-24.5	5.2	-1.7	1.18	2.30	1.14

(p) Preliminary (r) Revised (s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

<sup>1</sup> Inventories are on a non-LIFO basis as of the end of the month.

<sup>2</sup> Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

<sup>3</sup> Total business and manufacturers estimates exclude semiconductor manufacturers. The number of semiconductor manufacturers choosing not to participate in the voluntary manufacturing monthly survey has risen to a level such that the Census Bureau can no longer produce monthly estimates of semiconductor data.

<sup>4</sup> Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is  $\pm 1.2$  percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.